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SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

FORM 10-Q

(X) QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarter Ended June 30, 1992

OR

BEST COPY AVAILABLE

( ) TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Transition Period from to

Commission file number 1-3526

THE SOUTHERN COMPANY
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	58-0690070 (I.R.S. Employer Identification No.)
64 Perimeter Center East, Atlanta, Georgia (Address of principal executive offices)	30346 (Zip Code)

Registrant's telephone number, including area code (404) 393-0650

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No .

Common stock, par value $5 per share -- 315,653,667 shares outstanding at July 31, 1992.

THE SOUTHERN COMPANY AND SUBSIDIARY COMPANIES

INDEX TO QUARTERLY REPORT ON FORM 10-Q

June 30, 1992

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THE SOUTHERN COMPANY

MANAGEMENT'S OPINION AS TO FAIR STATEMENT OF RESULTS

The condensed financial statements included herein have been prepared by The Southern Company (SOUTHERN), without audit, pursuant to the rules and regulations of the Securities and Exchange Commission (SEC). In the opinion of management, subject to the effect of such adjustments, if any, as might have been required had the outcome of the uncertainties regarding full recovery of Georgia Power Company's (GEORGIA) investment in the Rocky Mountain hydroelectric project, the resolution of the Internal Revenue Service (IRS) civil examination, and the outcome of a stockholder's suit pending against SOUTHERN as more fully discussed in the Notes to the Condensed Consolidated Financial Statements herein, been known, the information furnished herein reflects all adjustments (which, except for the Plant Vogtle write-off recorded in September 1990, the Gulf States Utilities Company (Gulf States) settlement recorded in November 1991 and the provision for separation benefits for GEORGIA recorded in December 1991, included only normal recurring adjustments) necessary to present fairly the results for the periods ended June 30, 1992 and 1991. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations, although SOUTHERN believes that the disclosures are adequate to make the information presented not misleading. It is suggested that these condensed financial statements be read in conjunction with the financial statements and the notes thereto included in SOUTHERN's latest annual report to stockholders as incorporated and filed with Form 10-K.

(REMAINDER OF PRECEDING PAGE)

THE SOUTHERN COMPANY AND SUBSIDIARY COMPANIES

CONDENSED STATEMENTS OF INCOME (UNAUDITED)
(Stated in Thousands of Dollars)

	For the Three Months Ended June 30, 1992	1991 (Note J)	For the Six M Ended June 1992	(
OPERATING REVENUES	$2,011,541	$2,018,884	$3,819,431	$
OPERATING EXPENSES:				
Operation--				
Fuel	540,073	575,593	986,564	1
Purchased power	130,203	115,067	240,435	
Proceeds from settlement of disputed contracts (Note C)	-	-	-	

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ee Months une 30, 1991 (Note J)	For the Six Months Ended June 30, 1992	1991 (Note J)	For the Twelve Months Ended June 30, 1992	1991 (Note J)
$2,018,884	$3,819,431	$3,805,476	$8,063,805	$8,138,167
575,593	986,564	1,043,050	2,180,401	2,321,316
115,067	240,435	248,734	459,706	570,583
-	-	-	(181,592)	-

Other	318,206	317,857	626,747	
Maintenance	155,302	183,989	292,261	
Depreciation and amortization	191,202	192,867	382,193	
Deferred Plant Vogtle expenses, net (Note G)	(10,654)	9,559	(23,216)	
Taxes other than income taxes	107,963	107,579	217,865	
Federal and state income taxes	150,692	126,657	280,915	
Total operating expenses	1,582,987	1,629,168	3,003,764	3
OPERATING INCOME	428,554	389,716	815,667	
OTHER INCOME (EXPENSE):				
Allowance for equity funds used during construction	2,524	2,723	4,610	
Deferred return on Plant Vogtle (Note G)	-	11,515	-	
Write-off of Plant Vogtle costs (Note A)	-	-	-	
Income tax reduction for write-off of Plant Vogtle costs (Note A)	-	-	-	
Interest income	6,884	5,246	13,685	
Other, net	(1,031)	(12,647)	(2,993)	
Other income taxes applicable to other income	1,119	6,790	6,258	
INCOME BEFORE INTEREST CHARGES	438,050	403,343	837,227	
INTEREST CHARGES AND PREFERRED DIVIDENDS:				
Interest on long-term debt	176,169	194,145	352,763	
Allowance for debt funds used during construction	(3,404)	(4,286)	(6,614)	
Interest on notes payable	4,845	6,844	8,530	
Amortization of debt discount, premium and expense, net	2,823	2,330	5,488	
Other interest charges	8,812	6,484	16,502	
Preferred dividends of subsidiary companies	25,630	27,125	52,595	
Net interest charges and preferred dividends	214,875	232,642	429,264	
CONSOLIDATED NET INCOME	$ 223,175	$ 170,701	$ 407,963	$
AVERAGE NUMBER OF SHARES OF COMMON STOCK OUTSTANDING (Thousands)	315,654	315,654	315,654	
EARNINGS PER SHARE OF COMMON STOCK	$0.70	$ 0.55	$1.29	
CASH DIVIDENDS PAID PER SHARE OF COMMON STOCK	$0.55	$0.535	$1.10	

( ) Denotes red figure.

The accompanying notes are an integral part of these condensed statements.

THE SOUTHERN COMPANY AND SUBSIDIARY COMPANIES

CONDENSED STATEMENTS OF CASH FLOWS (UNAUDITED)
(Stated in Thousands of Dollars)

	For the Six Mon Ended June 30	
	1992	199

317,857	626,747	609,012	1,338,989	1,216,180
183,989	292,261	321,719	607,927	630,378
192,867	382,193	382,626	762,706	759,263
9,559	(23,216)	19,117	(26,325)	35,873
107,579	217,865	214,804	434,570	422,533
126,657	280,915			
		230,349	668,839	547,829
1,629,168	3,003,764	3,069,411	6,245,221	6,503,955
389,716	815,667	736,065	1,818,584	1,634,212
2,723	4,610	8,260	9,192	25,935
11,515	-	22,731	11,819	58,185
-	-	-	-	(281,254)
-	-	-	-	63,231
5,246	13,685	12,457	31,321	27,198
(12,647)	(2,993)	(23,191)	(36,215)	(67,329)
6,790	6,258	11,657	15,369	41,431
403,343	837,227	767,979	1,850,070	1,501,609
194,145	352,763	388,286	721,357	780,759
(4,286)	(6,614)	(12,781)	(12,301)	(31,195)
6,844	8,530	12,573	16,282	24,042
2,330	5,488	4,536	10,396	9,843
6,484	16,502	13,307	31,348	24,403
27,125	52,595	54,154	106,512	110,969
232,642	429,264	460,075	873,594	918,821
$ 170,701	$ 407,963	$ 307,904	$ 976,476	$ 582,788
315,654	315,654	315,654	315,654	315,654
$ 0.55	$1.29	$0.98	$3.09	$1.85
$0.535	$1.10	$1.07	$2.17	$2.14

hese condensed statements.

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CASH FLOWS (UNAUDITED)
nds of Dollars)

For the Six Months
Ended June 30,

1992 1991

(REMAINDER OF PRECEDING PAGE)

OPERATING ACTIVITIES:		
Consolidated net income	$ 407,963	$ 307,9
Adjustments to reconcile consolidated net income to net cash provided by operating activities--		
Depreciation and amortization	479,669	484,8
Deferred income taxes, net	120,640	28,7
Allowance for equity funds used during construction	(4,610)	(8,2
Deferred Plant Vogtle costs	(23,216)	(3,6
Other, net	(70,892)	(3,2
Changes in certain current assets and liabilities--		
Receivables, net	(32,919)	(44,2
Fossil fuel stock	(12,485)	(51,6
Materials and supplies	5,944	(12,2
Accounts payable	(56,236)	(43,4
Other	(96,006)	3,3
Net cash provided from operating activities	717,852	657,9
INVESTING ACTIVITIES:		
Gross property additions	(536,447)	(580,9
Sales of property	43,602	-
Adjustments to property additions, net	(15,722)	(28,7
Net cash used in investing activities	(508,567)	(609,6
FINANCING ACTIVITIES:		
Proceeds--		
Preferred stock	219,500	-
First mortgage bonds	500,000	150,0
Pollution control bonds	35,955	45,7
Other long-term debt	36,478	28,4
Redemptions--		
Preferred stock	(160,500)	(22,6
First mortgage bonds	(425,770)	(345,4
Pollution control bonds	(37,540)	(47,9
Other long-term debt	(35,902)	(31,4

	$ 407,963	$ 307,904
income ties--		
	479,669	484,812
	120,640	28,753
	(4,610)	(8,260)
	(23,216)	(3,614)
	(70,892)	(3,277)
	(32,919)	(44,286)
	(12,485)	(51,648)
	5,944	(12,277)
	(56,236)	(43,495)
	(96,006)	3,343
s	717,852	657,955
	(536,447)	(580,943)
	43,602	-
	(15,722)	(28,702)
	(508,567)	(609,645)
	219,500	-
	500,000	150,000
	35,955	45,700
	36,478	28,488
	(160,500)	(22,618)
	(425,770)	(345,457)
	(37,540)	(47,960)
	(35,902)	(31,429)

Special deposits - redemption funds	(43,006)	-
Notes payable, net	135,528	391,7
Payment of common stock dividends	(347,219)	(337,7
Miscellaneous	(40,756)	(10,1
Net cash provided from (used in) financing activities	(163,232)	(179,3
NET CHANGE IN CASH AND TEMPORARY CASH INVESTMENTS	46,053	(131,0
CASH AND TEMPORARY CASH INVESTMENTS AT BEGINNING OF PERIOD	106,286	186,0
CASH AND TEMPORARY CASH INVESTMENTS AT END OF PERIOD	$ 152,339	$ 54,9
SUPPLEMENTAL CASH FLOW INFORMATION:		
Cash paid during the period for--		
Interest (net of amount capitalized)	$ 363,894	$ 409,2
Income taxes	$ 223,485	$ 115,2

The accompanying notes are an integral part of these condensed statement

THE SOUTHERN COMPANY AND SUBSIDIARY COMPANIES

CONDENSED BALANCE SHEETS
(Stated in Thousands of Dollars)

ASSETS

	At June 30, 1992 (Unaudited)	At December 31, 1991
UTILITY PLANT:		
Plant in service	$26,623,924	$26,408,514
Less accumulated provision for depreciation	7,994,461	7,683,856
	18,629,463	18,724,658
Nuclear fuel, at amortized cost	271,471	300,985
Construction work in progress	718,910	603,394
Total	19,619,844	19,629,037
Less property-related accumulated deferred income taxes	3,107,430	3,020,397
Total	16,512,414	16,608,640
OTHER PROPERTY AND INVESTMENTS:		
Securities received from settlement of disputed contracts	208,817	201,594
Miscellaneous	128,441	109,904
Total	337,258	311,498
CURRENT ASSETS:		
Cash	50,934	36,872
Temporary cash investments, at cost which approximates market	101,405	69,414
Special deposits-redemption funds	43,006	-
Receivables, less accumulated provisions for uncollectible accounts of $10,830 at June 30, 1992 and $12,568 at December 31, 1991	905,767	889,024
Fossil fuel stock, at average cost	451,206	438,721
Materials and supplies, at average cost	451,115	457,059
Prepayments	245,225	222,253

	(43,006)	-
	135,528	391,749
	(347,219)	(337,750)
	(40,756)	(10,105)
ctivities	(163,232)	(179,382)
	46,053	(131,072)
	106,286	186,009
	$ 152,339	$ 54,937
	$ 363,894	$ 409,207
	$ 223,485	$ 115,235

part of these condensed statements.

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ETS
ollars)

une 30, 1992 audited)	At December 31, 1991
623,924	$26,408,514
994,461	7,683,856
629,463	18,724,658
271,471	300,985
718,910	603,394
619,844	19,629,037
107,430	3,020,397
512,414	16,608,640
208,817	201,594
128,441	109,904
337,258	311,498
50,934	36,872
101,405	69,414
43,006	-
905,767	889,024
451,206	438,721
451,115	457,059
245,225	222,253

(REMAINDER OF PRECEDING PAGE)		
Miscellaneous	77,565	75,201
Total	2,326,223	2,188,544
DEFERRED CHARGES:		
Deferred Plant Vogtle costs (Note G)	384,886	375,028
Debt expense, being amortized	23,547	22,861
Premium on reacquired debt, being amortized	146,760	125,693
Deferred fuel commitments	97,110	105,541
Miscellaneous	152,842	124,885
Total	805,145	754,008
TOTAL ASSETS	$19,981,040	$19,862,690

The accompanying notes are an integral part of these condensed statements.

THE SOUTHERN COMPANY AND SUBSIDIARY COMPANIES

CONDENSED BALANCE SHEETS
(Stated in Thousands of Dollars)

CAPITALIZATION AND LIABILITIES

	At June 30, 1992 (Unaudited)	At December 31, 1991
CAPITALIZATION:		
Common stock, par value $5 per share - Authorized - 500,000,000 shares; Outstanding - June 30, 1992 and December 31, 1991:		

315,653,667 shares	$ 1,578,268	$ 1,578,268
Amount paid in for common stock in excess of par value	2,905,694	2,905,997
Premium on preferred stock	1,423	1,853
Earnings retained in the business	2,536,995	2,490,306
	7,022,380	6,976,424
Preferred stock	1,271,272	1,206,772
Preferred stock subject to mandatory redemption	72,500	126,250
Long-term debt	7,752,650	7,991,141
Total	16,118,802	16,300,587
CURRENT LIABILITIES:		
Preferred stock due within one year	55,500	7,250
Long-term debt due within one year	531,043	217,261
Notes payable	321,968	301,688
Commercial paper	115,248	-
Accounts payable	511,329	581,714
Customer deposits	99,548	94,938
Taxes accrued--		
Federal and state income	30,081	75,676
Other	150,628	138,529
Interest accrued	224,039	221,167
Vacation pay accrued	85,429	83,606
Miscellaneous	193,747	242,003
Total	2,318,560	1,963,832
DEFERRED CREDITS AND OTHER LIABILITIES:		
Accumulated deferred investment tax credits	981,909	1,004,083
Disallowed Plant Vogtle capacity buyback costs	97,431	109,537
Prepaid capacity revenues	148,616	149,534
Miscellaneous	315,722	335,117
Total	1,543,678	1,598,271
TOTAL CAPITALIZATION AND LIABILITIES	$19,981,040	$19,862,690

The accompanying notes are an integral part of these condensed statements.

THE SOUTHERN COMPANY AND SUBSIDIARY COMPANIES

NOTES TO CONDENSED FINANCIAL STATEMENTS:

(A) In September 1990, GEORGIA recorded a write-off of $218 million, after taxes, related to certain costs of Plant Vogtle. The write-off included costs disallowed by the Georgia Public Service Commission (GPSC) and the costs of a partially completed low-level radioactive waste processing facility located at Plant Vogtle that was canceled. For further information on the matter, see Note 2 to the financial statements in SOUTHERN's 1991 Annual Report to Stockholders.

(B) Reference is made to Item 3 - LEGAL PROCEEDINGS in SOUTHERN's Annual Report on Form 10-K for the year ended December 31, 1991, for a description of a suit against SOUTHERN and certain current and former members of its board of directors. The complaint alleges violations of the Securities Act of 1933, as amended, and breach of fiduciary duty in connection with various disclosure items.

(REMAINDER OF PRECEDING PAGE)

Also discussed therein is a description of the proceedings related to a derivative action filed against certain current and former directors and officers of SOUTHERN.

(C) Reference is made to Item 1 - BUSINESS - "Long-Term Power Sales Agreements" in SOUTHERN's Annual Report on Form 10-K for the year ended December 31, 1991, for a discussion of the settlement of suits filed by Gulf States and SOUTHERN's affected operating subsidiaries concerning off-system capacity and energy sales contracts. As discussed therein, a portion of the settlement is comprised of a stock price differential agreement pursuant to which Gulf States is to pay the difference between $18.25 and the highest average five-day price of Gulf States' common stock between closing and December 31, 1992, on the six million shares of its common stock held by SOUTHERN's affected operating subsidiaries. On June 8, 1992, Gulf States announced that it had agreed to merge with Entergy Corporation, a registered public utility holding company headquartered in New Orleans, Louisiana. Under the terms of the merger agreement, upon receipt of all required regulatory and shareholder approvals, Gulf States shareholders will receive $20 per share in cash or common stock in the merged company, at the election of the shareholder subject to a limitation of $250 million on the aggregate amount of cash available for such electing shareholders. Management cannot predict when, or if, the proposed merger will be consummated. As of July 31, 1992, the highest average five-day trade price since closing was $15.95.

(D) See Item 3 - LEGAL PROCEEDINGS in SOUTHERN's Annual Report on Form 10-K for the year ended December 31, 1991, for information regarding an investigation by the U.S. Attorney for the Northern District of Georgia and the civil examination by the IRS of the consolidated income tax returns for the years 1983 through 1987.

THE SOUTHERN COMPANY AND SUBSIDIARY COMPANIES

NOTES TO CONDENSED FINANCIAL STATEMENTS: (Continued)

See also Item 3 - LEGAL PROCEEDINGS in SOUTHERN's Annual Report on Form 10-K for the year ended December 31, 1991, for a discussion of civil suits filed against various SOUTHERN subsidiaries, SOUTHERN and other parties that related to certain federal government investigations. Motions to dismiss these actions have been filed by the defendants, and the motions to dismiss have been granted in the cases filed in Alabama and Georgia. Plaintiffs in the Alabama and Georgia cases appealed the dismissals to the U.S. Court of Appeals for the Eleventh Circuit. A three-judge panel of the court of appeals, in May 1991, reversed the dismissals and remanded these cases to the respective trial courts. On July 24, 1992, on rehearing, the full Eleventh Circuit court vacated the panel decision and reinstated the dismissal orders of district courts.

(E) Reference is made to Item 1 - BUSINESS - "Rate Matters" in SOUTHERN's Annual Report on Form 10-K for the year ended December 31, 1991, for a discussion of the hearings ordered by the Federal Energy Regulatory Commission (FERC) regarding the reasonableness of the return on common equity on certain of the Southern electric system's wholesale rate schedules and contracts.

(F) Reference is made to Item 3 - LEGAL PROCEEDINGS in SOUTHERN's Annual Report on Form 10-K for the year ended December 31, 1991, for a discussion of a civil suit filed against Alabama Power Company (ALABAMA) concerning ALABAMA's financing of heat pumps and other merchandise.

(G) Effective October 3, 1991, the GPSC granted GEORGIA a retail rate increase of approximately $117 million. In addition, the order modified Plant Vogtle's phase-in plans. The modifications accelerate the recognition of costs previously deferred under the Vogtle Unit 2 phase-in plan and levelize the Vogtle declining capacity buyback expenses. The rate order requires the amortization of deferred costs over an eight-year period beginning October 1991 rather than over the five-year period beginning October 1994 as previously prescribed. Capacity buyback expense from the co-owners of Plant Vogtle will be levelized over a six-year period beginning October 1991. This results in cost deferrals during the first three years and subsequent amortization of the deferred amount in the last three years. Also, the GPSC ordered lower depreciation rates for GEORGIA.

Pursuant to orders from the GPSC, GEORGIA has deferred financing and depreciation costs under phase-in plans for Plant Vogtle Units 1 and 2 (as modified in the October 1991 rate order)

(REMAINDER OF PRECEDING PAGE)
THE SOUTHERN COMPANY AND SUBSIDIARY COMPANIES

NOTES TO CONDENSED FINANCIAL STATEMENTS: (Continued)

until the allowed investment was fully reflected in rates as of October 1991. In addition, the GPSC issued two separate accounting orders that required GEORGIA to defer substantially all operating and financing costs related to both units until rate orders addressed those costs.

GEORGIA has deferred these Plant Vogtle costs, including the capacity buyback expense discussed above, and begun amortizing these costs (as recovered through rates) as follows (in millions):

	3 Months Ended June		6 Months Ended June	
	1992	1991	1992	1991
Deferred:				
Financing costs	$ -	$12	$ -	$23
Capacity buyback expense	29	-	58	-
Other operating expenses	-.	3	-	5
Amortization of amounts deferred	(18)	(12)	(35)	(24)
Income tax	(5)	(1)	(13)	-
Net amounts deferred	$ 6	$ 2	$10	$ 4

( ) Indicates charge to income.

Each GPSC order calls for recovery of deferred costs within 10 years. The deferred financing costs include equity returns, except in the case of the Unit 2 accounting order. That order authorized

ARY COMPANIES

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flected in rates as of
ed two separate accounting
stantially all operating
until rate orders

e costs, including the
and begun amortizing
as follows (in millions):

Months Ended June		6 Months Ended June		12 Months Ended June		Cumulative through June 30, 1992
992	1991	1992	1991	1992	1991	
-	$12	$ -	$23	$12	$58	$388
9	-	58	-	88	-	88
-	3	-	5	2	12	279
8)	(12)	(35)	(24)	(64)	(48)	(202)
5)	(1)	(13)	-	(21)	(3)	(168)
6	$ 2	$10	$ 4	$17	$19	$385

deferred costs within 10
ude equity returns, except
r. That order authorized

the deferral and eventual recovery of approximately $22 million of equity return, but under current accounting rules, this equity return is being credited to income as it is billed to customers.

In April 1990, the Supreme Court of Mississippi issued an order holding that legislation enacted in 1989 did not retroactively validate the Performance Evaluation Plan (PEP), pursuant to which the retail base rates of Mississippi Power Company (MISSISSIPPI) had been set since March 1986. Litigation regarding PEP has been pending since October 1986. The court remanded the matter to the Mississippi Public Service Commission (MPSC) to determine the amount of revenues, if any, collected contrary to law or in excess of lawful rates and to order refunds or credits as necessary. Pursuant to the court order, the MPSC allowed PEP to expire on April 30, 1990.

NOTES TO CONDENSED FINANCIAL STATEMENTS: (Continued)

The Mississippi Legislature passed legislation which was signed into law on June 30, 1990, specifically clarifying the Legislature's intent to retroactively validate PEP-type plans.

In April 1990, in anticipation of the expiration of PEP, MISSISSIPPI filed with the MPSC requests for rates designed to maintain its retail rates at the level then in effect. The MPSC approved these rate requests in June 1990. Interveners appealed this decision to the Supreme Court of Mississippi. In May 1992, the Mississippi Supreme Court affirmed the MPSC's decision to approve MISSISSIPPI's 1990 request to maintain its rates at the levels then in effect. A petition for rehearing is currently pending before the Mississippi Supreme Court.

By order dated July 31, 1992, the MPSC found that MISSISSIPPI did not collect any excess revenues under the PEP during its existence from March 1986 through April 1990. The MPSC's order concluded that legislation enacted by the Mississippi Legislature and signed into law in June 1990 retroactively validated PEP and revenue adjustments thereunder and, therefore, precluded any refunds from the operation of PEP. The MPSC's order of July 1992 is subject to appeal to the Mississippi Supreme Court by various interveners. In management's opinion the outcome of this matter will not have a material effect on SOUTHERN's financial statements.

In August 1990, the MPSC ordered MISSISSIPPI to prepare and file a proposed Performance Evaluation Plan (PEP-1) similar to the one previously adopted. In December 1990, the MPSC approved MISSISSIPPI's retail rates being set in accordance with PEP-1.

(REMAINDER OF PRECEDING PAGE)

Under PEP-1 any change in rates is based on quarterly reviews of MISSISSIPPI's earned retail return on end-of-period common equity, compared to an allowed return, in conjunction with an evaluation of MISSISSIPPI's performance in specified areas. A change in rates is limited to 2% of retail revenues per quarter, up to 4% in any calendar year, before a public hearing is required. PEP-1 will remain in effect until the MPSC modifies or terminates the plan.

(I) Reference is made to Note 3 to the Consolidated Financial Statements in SOUTHERN's 1991 Annual Report to Stockholders for information concerning the Rocky Mountain hydroelectric project.

(J) Certain energy sales that were classified as purchased and interchanged power, net in prior periods, were reclassified effective December 1991 to operating revenues and kilowatthour sales in accordance with current accounting requirements of the FERC.

SOUTHERN COMPANY AND SUBSIDIARY COMPANIES

MANAGEMENT'S DISCUSSION AND ANALYSIS OF
RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Results of Operations

SOUTHERN's earnings for the second quarter of 1992 improved over

the second quarter of 1991 because of lower maintenance and interest expense coupled with retail rate increases granted to three of the operating subsidiaries. Additionally, GEORGIA's retail order mandated deferrals of certain costs and a lower depreciation rate. See Note (G) to the Condensed Consolidated Financial Statements herein for details of GEORGIA's rate order.

Net Income

Consolidated net income was $223 million for the second quarter of 1992, compared to $171 million for the second quarter of 1991. Earnings per share were $0.70 in the second quarter of 1992, compared to $0.55 in the corresponding period of 1991.

Revenues

Revenues for the second quarter of 1992 decreased slightly from the corresponding period of 1991 due to flat retail energy sales and lower wholesale energy sales. The economy in the Southern electric system's service area began showing signs of emerging from the national recession as industrial energy sales increased 2.7%. However, the contrast of weather between the two periods depressed residential and, to a lesser extent, commercial energy sales. Wholesale energy sales decreased primarily due to scheduled reductions under unit power sales contracts. Capacity revenues for the second quarter of 1992 were $14.4 million less than in the second quarter of 1991.

Expenses

Fuel expense for the second quarter of 1992, compared to the second quarter of 1991, decreased due primarily to the displacement of fossil generation with less expensive nuclear generation and lower fuel costs. The average cost of fuel per kilowatthour generated was 1.67 cents in the second quarter of 1992 and 1.77 cents in the second quarter of 1991. The increase in purchased power expense was necessitated by a sharp drop in hydro generation. See Note (G) to the Condensed Consolidated Financial Statements herein for information regarding the GPSC's retail rate order that required the levelization of capacity buyback expense for Plant Vogtle and lower depreciation rates. Lower maintenance expenses reflect less scheduled maintenance on generating facilities. Additionally, GEORGIA, as ordered by the GPSC, began levelizing nuclear maintenance expense incurred during a refueling

Results of Operations (Continued)

outage and amortizing the deferred amounts over 18 months. The increase in income taxes mirrors the earnings recovery. Net interest charges and preferred dividends have decreased because of refinancings.

Other Income

(REMAINDER OF PRECEDING PAGE)

The deferred return recorded under the phase-in plan for Plant Vogtle Unit 2 ceased in October 1991 as the allowed investment was fully phased into rates.

Allowance for Funds Used During Construction (AFUDC)

AFUDC represents the cost of capital charged to utility plant under construction and not included in rate base. The equity portion represents non-cash income. However, when facilities are completed and included in rate base, previously capitalized amounts significantly increase cash flow because revenues are higher as a result of the increased rate base and additional depreciation expense. GEORGIA began recording a deferred return similar to AFUDC on both units of Plant Vogtle after they entered commercial operation. The deferred return decreased as the investment was recognized in rate base. AFUDC and, for the second quarter of 1991, the deferred return on Plant Vogtle, net of income taxes, as a percent of net income was 2% in the second quarter of 1992, compared to 9% in the corresponding period of 1991.

Future Earnings Potential

The results of operations discussed above are not necessarily indicative of future earnings potential. The level of future earnings depends on numerous factors including regulatory matters and growth in energy sales.

Future earnings will be positively impacted by GEORGIA's retail rate increase of $117 million annually, effective October 3, 1991. The order also modifies the Vogtle Unit 2 Phase-In Plan. The order provides for the levelizing of capacity buy-back expense from the co-owners of Plant Vogtle over six years and accelerates the recognition of Plant Vogtle Unit 2 phase-in deferred costs. These changes will result in net near-term expense deferrals. The order also lowers GEORGIA's depreciation expense. ALABAMA's retail rates

increased 1.4% and 1.03% on July 1, 1991 and January 1, 1992, respectively. MISSISSIPPI's retail rates increased 2.0% effective December 23, 1991.

Results of Operations (Continued)

Reference is made to Notes 2 and 3 to the Financial Statements in SOUTHERN's 1991 Annual Report to Stockholders for further discussion of various uncertainties and legal proceedings related to: the Rocky Mountain hydroelectric project; the resolution of the IRS civil examination; a civil suit related to financing agreements by ALABAMA; the outcome of a stockholder's suit pending against SOUTHERN and the outcome of a proceeding initiated by the FERC to determine the appropriate return on equity on wholesale power and transmission contracts.

In July 1992, the GPSC adopted GEORGIA's and Savannah Electric and Power Company's (SAVANNAH) Integrated Resource Plans. As discussed further in Item 1 - BUSINESS - "Rate Matters" in SOUTHERN's Annual Report on Form 10-K for 1991, the GPSC must specify how it believes GEORGIA and SAVANNAH should meet future electrical needs through a combination of demand-side and supply-side resources. The GPSC is expected to rule by January 1993 on the certification of certain of the demand-side and supply-side resources specified in the plan and on the recovery of GEORGIA's and SAVANNAH's costs that would be incurred upon the implementation of the demand-side programs. Also in July 1992, the MPSC approved MISSISSIPPI's amended request for a $532,000 annual retail increase to recover costs associated with environmental projects approved by the MPSC.

The Financial Accounting Standards Board (FASB) has issued new rules for accounting for income taxes (Statement No. 109) and accounting for retirees' health care and life insurance benefits (Statement No. 106) that are currently scheduled to be effective in 1993. GEORGIA has been ordered by the GPSC to continue recovering the cost of post-retirement benefits other than pensions as they are paid and to defer the difference for future recovery. The public accounting profession and the SEC staff are currently discussing whether such cost deferrals are appropriate under generally accepted accounting principles. For additional information on the effect of the FASB's rulemaking, see Note 1 to the financial statements in SOUTHERN's 1991 Annual Report to Stockholders.

Future earnings will depend upon growth in energy sales, which will be subject to a number of factors. These factors include changes in contracts with neighboring utilities, energy conservation practiced by customers, the elasticity of demand, weather, deregulation, competition, open transmission access and the rate of economic growth in the system service area. Also, costs associated with compliance with the Clean Air Act Amendments of 1990 could reduce earnings if such costs cannot be billed to customers.

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SOUTHERN COMPANY AND SUBSIDIARY COMPANIES

MANAGEMENT'S DISCUSSION AND ANALYSIS OF
RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Financial Condition

The major changes in SOUTHERN's financial condition during the first six months of 1992 were the addition of approximately $536 million to utility plant, the sale of a portion of Plant Miller and further refinancings. The funds for capital expenditures and other capital needs were derived primarily from operations, the Plant Miller sale and an increase in notes payable. See the Condensed Consolidated Statements of Cash Flows for further details. Additionally, certain other issues, discussed in the Notes to the Condensed Consolidated Financial Statements herein, are pending that may have an impact on SOUTHERN's financial condition.

Capital Structure

One of SOUTHERN's goals is to maintain common equity as a percent of total capitalization within a range of 40 to 45%. This ratio was 43.6% at June 30, 1992, compared to 42.8% at December 31, 1991. The market price of SOUTHERN's common stock at June 30, 1992, was $34.875

per share, compared to a book value of $22.25. This represents a market-to-book value ratio of 157%. The quarterly dividend for the second quarter of 1992 was 55 cents per share.

Through August 7, 1992, SOUTHERN's operating subsidiaries have completed security sales for $329.5 million of preferred stock, $900 million of first mortgage bonds and $111 million of pollution control obligations, the vast majority of which was used or will be used for the redemption of various high-cost securities. Additional high-cost securities were redeemed via sinking and improvement funds and utilizing funds from ALABAMA's property sale. As a result of such transactions, annualized preferred stock dividends and interest on long-term debt will be reduced by $4.6 million and $52.3 million, respectively. However, such savings will be partially offset by the amortization of premium on reacquired debt and higher levels of short-term indebtedness.

Capital Requirements for Construction

Capital expenditures of the Southern electric system are budgeted at $4.7 billion for the three years 1992 through 1994 ($1.4 billion in 1992, $1.6 billion in 1993 and $1.7 billion in 1994). Actual capital expenditures may vary from this estimate because of such factors as changes in nuclear plants to meet new regulations; changes in environmental regulations; revised load projections; the cost and efficiency of construction labor, equipment and materials and the cost of capital.

Financial Condition (Continued)

Current energy demand forecasts do not require any additional baseload generating facilities until well into the future. However, the construction of combustion turbine peaking units of approximately 1,200 megawatts is planned by 1995 to meet the increased peak-hour demands. In addition, significant construction of transmission and distribution facilities and upgrading of generating plants will continue. GEORGIA and Oglethorpe Power Corporation (OPC) have entered into a joint ownership agreement for OPC to assume responsibility for the construction and completion of the Rocky Mountain project. This agreement is described further in Note 5 to the financial statements of SOUTHERN's 1991 Annual Report to Stockholders.

Changes in environmental regulations could substantially increase the Southern electric system's capital requirements and operating costs. The Clean Air Act Amendments of 1990 have been enacted, and the acid rain compliance provision will have a significant impact on the Southern electric system. This legislation, as well as other legislation and regulations, are described in Item 1 - BUSINESS -

(REMAINDER OF PRECEDING PAGE)

"Regulation" in SOUTHERN's Annual Report on Form 10-K for the year ended December 31, 1991. The full impact of these requirements cannot be determined at this time, pending the development and implementation of applicable regulations. There can be no assurance that compliance costs will be recovered through corresponding increases in rates.

Other Capital Requirements

In addition to the funds needed for capital expenditures, approximately $587 million will be required by June 30, 1993, for present sinking fund requirements, redemptions and maturities of long-term debt and preferred stock. Also, the operating subsidiaries plan to continue a program to retire high-cost debt and preferred stock and replace these obligations with lower-cost capital.

Sources of Funds

Current projections indicate that, for the immediate future, SOUTHERN does not need additional equity capital from the sale of common stock. The operating subsidiaries plan to obtain the funds required for construction and other purposes from sources similar to those used in the past. However, the type and timing of financings will depend on market conditions, maintenance of adequate earnings, and

MANAGEMENT'S DISCUSSION AND ANALYSIS OF
RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Financial Condition (Continued)

regulatory approval. Additionally, GEORGIA will receive approximately $514 million during 1993 through 1995 from the sale of its remaining ownership interest in Plant Scherer Unit 4. These property sales are discussed further in SOUTHERN's Annual Report on Form 10-K for the year ended December 31, 1991, under Item 2 - PROPERTIES - "Proposed Sales of Property." Also see Note (C) to the Condensed Consolidated Financial Statements herein for information regarding the Gulf States settlement.

To meet short-term cash needs and contingencies, the system companies had at June 30, 1992, approximately $195 million of cash, temporary cash investments and special deposits held for redemption of securities and approximately $854 million of unused credit arrangements with banks. At June 30, 1992, the system companies had outstanding $437 million of short-term indebtedness. The short-term lines of credit may not be utilized in their entirety without additional regulatory approval. Since the construction program with respect to major generating projects has been completed, management believes that the need for working capital can be adequately met by utilizing lines of credit without maintaining large cash balances.

In order to issue additional long-term debt and preferred stock, the operating subsidiaries must comply with certain earnings coverage requirements outlined in their mortgage indentures and corporate charters. The ability to issue securities in the future will depend on coverages at that time. These coverages at June 30, 1992, were as follows:

	Mortgage Coverage (2.00 Required)	Charter Coverage (1.50 Required)
ALABAMA	4.77	2.40
GEORGIA	5.41	2.14
GULF	5.02	2.45
MISSISSIPPI	3.57	2.18
SAVANNAH	4.85*	2.73

*2.50 required

(REMAINDER OF PRECEDING PAGE)

Item 1. Legal Proceedings.

Reference is made to the Notes to Condensed Consolidated Financial Statements herein for information regarding legal and administrative proceedings in which SOUTHERN and its subsidiaries are involved.

Item 4. Submission of Matters to a Vote of Security Holders.

SOUTHERN held its annual meeting of stockholders on May 27, 1992. The following resolutions were voted upon at this meeting.

(1) A proposal requiring additional disclosure of executive compensation was defeated by a vote of 182,596,886 shares against; 45,751,799 shares for; and 6,577,320 shares abstaining.

(2) A proposal seeking disclosure of relationships with certain consulting firms was defeated by a vote of 187,997,912 shares against; 39,582,732 shares for; and 7,345,817 shares abstaining.

(3) A proposal seeking to amend SOUTHERN's bylaws relating to the retirement date of non-employee directors was adopted by a vote of 243,563,756 shares for; 9,762,623 shares against; and 5,528,039 shares abstaining.

Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibits.

Exhibit 25 - Power of Attorney and resolution. (Designated

in SOUTHERN's Form 10-K for the year ended December 31, 1991, File No. 1-3526, as Exhibit 25, and incorporated herein by reference.)

(b) Reports on Form 8-K.
There were no Form 8-K's filed during the period.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

THE SOUTHERN COMPANY

By Edward L. Addison*
President and Director
(Principal Executive Officer)

By W. L. Westbrook*
Financial Vice President
(Principal Financial and
Accounting Officer)

By /s/Wayne Boston
(Wayne Boston, Attorney-in-fact)

Date: August 10, 1992